Cornerstone announces Maiden Resource at Tandayama-America Porphyry Copper-Gold Deposit, Cascabel Project, Ecuador

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OTTAWA, Oct. 19, 2021 - Cornerstone Capital Resources Inc. ("Cornerstone" or "the Company") (TSXV:CGP) (OTC:CTNXF) (FWB:GWN1) is pleased to provide an independently verified update regarding a Mineral Resource Estimate ("MRE") for its Tandayama-Amer?ca ("TAM") porphyry copper-gold deposit located 3km north of the Alpala Deposit[1] at its Cascabel copper-gold porphyry joint venture project in northern Ecuador (see Figure 1) in which Cornerstone has a 15% interest[2] financed through to completion of a feasibility study plus 6.86% of the shares of joint venture partner and Project operator SolGold Plc, for a total direct and indirect interest in Cascabel of 20.8%.

Figures referenced in this news release can be viewed through the following link: https://cornerstoneresources.com/site/assets/files/5829/nr21-18figures.pdf.

SUMMARY OF TANDAYAMA-AMERICA MINERAL RESOURCE ESTIMATE

Total Mineral Resource of 233.0Mt @ 0.23% Cu and 0.16 g/t Au (0.33% copper equivalent (CuEq)[3]) containing 0.53Mt Cu and 1.20Moz Au in the Indicated category, plus 197.0Mt @ 0.27% Cu and 0.20 g/t Au (0.39% CuEq) containing 0.52Mt Cu and 1.24Moz Au in the Inferred category.

Mineral Resource Statement: Effective date August 26, 2021

Mining Method	Cut-off Grade (CuEq %)	Resource Category	Tonnage (Mt)	Grade			Contained Metal		
				Cu (%)	Au (g/t)	CuEq (%)	Cu (Mt)	Au (Moz)	CuEq (Mt)
Open Pit	0.16	Indicated	201.0	0.22	0.16	0.33	0.45	1.06	0.66
		Inferred	61.8	0.25	0.30	0.44	0.16	0.59	0.27
Underground	0.28	Indicated	32.0	0.26	0.14	0.35	0.08	0.14	0.11
		Inferred	135.2	0.27	0.15	0.37	0.37	0.65	0.50
Total Indicated			233.0	0.23	0.16	0.33	0.53	1.20	0.77
Total Inferred			197.0	0.27	0.20	0.39	0.52	1.24	0.77

Notes:

1. *Dr Andrew Fowler, MAusIMM CP(Geo), Principal Geology Consultant of Mining Plus, is responsible for this Mineral Resource statement and is an "independent Qualified Person" as such term is defined in NI 43-101.*
2. *The Mineral Resource is reported using cut-off grades that are applied according to the mining method where 0.16 % CuEq applies to potentially open-pittable material and 0.28 % CuEq applies to material potentially mineable by underground bulk mining methods.*
3. *The Mineral Resource is considered to have reasonable prospects for eventual economic extraction by open pit or underground bulk mining such as block caving as described below.*
4. *Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.*
5. *The statement uses the terminology, definitions and guidelines given in the CIM Standards on Mineral Resources and Mineral Reserves (May 2014) as required by NI 43-101.*
6. *The underground portion of the Mineral Resource is reported on 100 percent basis within an optimized shape as described below.*
7. *Figures may not compute due to rounding.*

- Potentially open pittable Mineral Resources comprise 201.0Mt @ 0.22% Cu and 0.16 g/t Au (0.33% CuEq) in the Indicated category, plus 61.8Mt @ 0.25% Cu and 0.30 g/t Au (0.44% CuEq) in the Inferred category, at a cut-off grade of 0.16% CuEq.

- Potentially open pittable Mineral Resources include a higher-grade near-surface zone containing 10.6Mt @ (0.26% Cu and 0.25 g/t Au (0.41% CuEq) and 5.2Mt @ 0.27% Cu and 0.28 g/t Au (0.45% CuEq).

- Mineral Resources potentially mineable by underground bulk mining methods comprise 32.0Mt @ 0.26% Cu and 0.14 g/t Au (0.35% CuEq) in the Indicated category, plus 135.2Mt @ 0.27% Cu and 0.15 g/t Au (0.37% CuEq) in the Inferred category, at a cut-off grade of 0.28% CuEq.

- Drilling continues and an update to the TAM resource base is planned.

Project Operator SolGold's Interim CEO Keith Marshall commented on the work being advanced at Cascabel:

"The TAM deposit adds further copper and gold mineralization to Alpala's large metal inventory at the Cascabel project. The resource offers optionality and the potential to generate economic ore earlier which will complement the high-grade Alpala underground ore.

The maiden MRE is based on assays from the first 18 holes. Drilling has continued at the TAM deposit during the estimation process and visual mineralization from Holes 19-30 suggest potential for future resource growth in the southeast quarter of the open pit optimised shape and particularly in the east and southeast depth extensions of the underground optimised shape where the highest grade mineralization encountered thus far remains open."

FURTHER INFORMATION

On August 26, 2021, a data cut-off was applied to the TAM dataset for the purposes of Mineral Resource Estimation. The TAM maiden MRE dataset comprised 17,535m of diamond drilling from holes 1-23, 458m of surface rock-saw channel sampling from 72 outcrops, and 14,566m of final assay results from holes 1-18 (Figure 2).

To date a total of 22,216m has been completed at the TAM deposit, with drill holes 26-30 currently underway utilising four diamond drilling rigs. Assay results from Holes 19-25, and 27 are pending.

The TAM MRE is constrained within a three-dimensional ("3D") Open Pit Optimised Shape ("OP") and an Underground Optimised Shape ("UOS"), whereby the UOS "daylights" into the floor of the OP (Figure 3).

The estimation of Cu and Au was confined within 3D estimation domains which were based on the combination of two 3D wireframe interpretations:

- Grade Shell Interpretation: Low-, Medium- and High-Grade shells equating to CuEq cut-off grades of 0.15%, 0.30% and 0.45% respectively.
- Lithological Interpretation: Modelling of seven rock groups, comprising "D10" (Pre-Mineral Diorite Host Rock), "EM" (Early-Mineral Quartz Diorite and Diorite), "IBX" (Intra-Mineral Intrusive Breccia), "IM" (Intra-mineral Quartz Diorite and Diorite), "LM" (Late-mineral Diorite), "PM" (Post-mineral Quartz Diorite and Diorite), "V" (Pre-Mineral Volcanic Host Rocks), and "SOI" (soil and oxidised rock).

The TAM deposit shares the same geological and structural setting as the Alpala deposit. Mineralization is hosted within a complex of middle to late-Eocene (Bartonian) hornblende-bearing diorites, quartz diorites and intrusive breccias that intrude volcanic host rocks to form a complex of stocks, dykes, and breccia pipes.

The trend of mineralization throughout the TAM deposit is defined by a northwest (315○) trending intrusive complex inclined steeply (78○) towards the northeast. Surface mapping data was supported by structural measurements taken from orientated drill core provided data from 127 intrusive contacts and 3062 B-type quartz veins.

Copper and gold mineralization is intimately associated with porphyry style B-type quartz-chalcopyrite veins and stockworks, centred upon an early-mineral causal quartz-diorite intrusion (QD10), and cut by a series of intra-mineral, late-mineral and post-mineral stocks dykes and breccias of diorite, hornblende diorite, and quartz diorite.

Intrusions have emplaced episodically such that each subsequent intrusion has introduced mineralizing fluids (and subsequent arrays of mineralized veins) into the TAM system, and/or remobilising and enriching existing mineralization or contributed to localised overprinting of pre-existing mineralization.

The geological character of the porphyry stocks / dykes encountered through drilling to date indicate a well-preserved porphyry system with significant potential for greater depth extent. Individual mineralized porphyry dykes are observed to have emplaced within a vertical column of over 1,000m.

The full size and tenor of the TAM system has not yet been tested. Mineralization remains open to the south and east and at depth. Further surface geochemical anomalies to the east of the current drilling area require drill testing.

Reasonable Prospects for Eventual Economic Extraction

The cut-off grades used for reporting have been based on up to date third party metal price research, forecasting of Cu and Au prices, and a cost structure from mining studies currently being reviewed. Costs include mining, processing and general and administration ("G&A"). Net Smelter Return ("NSR") includes metallurgical recoveries and off-site realisation (TC/RC) including royalties and utilising metal prices of Cu at US$3.30/lb and Au at US$1,700/oz.

Cut-off grades have been developed independently for open pit mining methods and underground bulk mining methods. The cut-off grade for potentially open pittable material has been calculated at 0.16% CuEq using a copper equivalency factor of 0.632, while the cut-off grade for material potentially mineable by a bulk underground mining method such as block caving has been calculated at 0.28% CuEq using a copper equivalency factor of 0.654.

Optimisation was completed in two stages, with the open pit optimisation initially applied to the block model, and the remaining material was then considered for underground optimisation.

The open pit optimisation was completed using the conventional Lerchs-Grossman optimisation routine implemented in Whittle software, and the revenue factor one pit was selected for reporting the Mineral Resource. The QP considers that the open pit portion of the reported Mineral Resource has reasonable prospects for eventual economic extraction at the specified cut-off grade.

Subsequently, a three-dimensional Underground Optimised Shape was generated using Datamine™ software at a cut-off grade of 0.28% CuEq. Block Cave and Sub-Level Cave mining methods were considered during the optimisation. The final UOS maximises the tonnes above the cut-off while ensuring that all material was part of a minimum mining unit with geometry appropriate for a block cave of 120 m length by 120 m width by 200 m height. These minimum mining dimensions for a block cave are consistent with mining studies and the resulting shape contains planned internal and edge dilution that the QP considers appropriate.

It is noteworthy that the UOS is not described as a "mineable shape". Mining factors excluded from this analysis include, but are not limited to, capital costs (non-mining, access and footprint establishment), regional pillars, footprint geometries, unplanned dilution and the time value of money. However, the shape does enclose a contiguous and appropriately diluted Mineral Resource that, by virtue of its grade and geometry, should be considered for inclusion within a mineable shape. As such, the QP considers that the underground portion of the reported Mineral Resource has reasonable prospects for eventual economic extraction by the block cave underground mining method at the specified cut-off grade.

An assessment of whether the project as a whole is economically viable has not been made under this

analysis.

Quality Assurance / Quality Control on Sample Collection, Security and Assaying

SolGold operates according to a rigorous Quality Assurance and Quality Control (QA/QC) protocol consistent with industry best practices.

Primary sample collection involves secure transport from Cascabel to the ALS certified sample preparation facility in Quito, Ecuador. Samples are then air freighted from Quito to the ALS certified laboratory in Lima, Peru where the assaying of drill core, channel samples, rock chips and soil samples is undertaken. SolGold utilises ALS certified laboratories in Canada and Australia for the analysis of metallurgical samples.

Samples are prepared and analysed using 100g 4-Acid digest ICP with MS finish for 48 elements on a 0.25g aliquot (ME-MS61). Laboratory performance is routinely monitored using umpire assays, check batches and inter-laboratory comparisons between ALS certified laboratory in Lima and the ACME certified laboratory in Cuenca, Ecuador.

In order to monitor the ongoing quality of its analytical database, SolGold's QA/QC protocol encompasses standard sampling methodologies, including the insertion of certified powder blanks, coarse chip blanks, standards, pulp duplicates and field duplicates. The blanks and standards are Certified Reference Materials supplied by Ore Research and Exploration, Australia.

SolGold's QA/QC protocol also monitors the ongoing quality of its analytical database. The Company's protocol involves Independent data validation of the digital analytical database including search for sample overlaps, duplicate or absent samples as well as anomalous assay and survey results. These are routinely performed ahead of Mineral Resource Estimates and Feasibility Studies. No material QA/QC issues have been identified with respect to sample collection, security and assaying.

Reviews of the sample preparation, chain of custody, data security procedures and assaying methods used by SolGold confirm that they are consistent with industry best practices and all results stated in this announcement have passed SolGold's QA/QC protocol.

Qualified Person

Information in this news release relating to the exploration results is based on data reviewed by Jason Ward ((CP) B.Sc. Geol.), the Chief Geologist of SolGold Plc, the Project operator. Mr. Ward is a Fellow of the Australasian Institute of Mining and Metallurgy, holds the designation FAusIMM (CP), and has in excess of 20 years' experience in mineral exploration and is a Qualified Person for the purposes of National Instrument 43-101. Mr. Ward consents to the inclusion of the information in the form and context in which it appears.

Information in this news release relating to the Mineral Resource Estimate was reviewed by Dr. Andrew Fowler, who is a Chartered Professional Member of the Australasian Institute of Mining and Metallurgy and has over 20 years' experience in Mineral Resource Estimation, open pit mining, underground mining and mineral exploration. He is an independent Qualified Person for the purposes of the relevant TSX Rules. Dr. Fowler consents to the inclusion of the information in the form and context in which it appears.

Yvan Crepeau, MBA, P.Geo., Cornerstone's Vice President, Exploration and a qualified person in accordance with National Instrument 43-101, is responsible for supervising the exploration program at the Cascabel project for Cornerstone and has reviewed and approved the information contained in this news release.

About Cornerstone

Cornerstone Capital Resources Inc. is a mineral exploration company with a diversified portfolio of projects in Ecuador and Chile, including the Cascabel gold-enriched copper porphyry joint venture in northwest

Ecuador. Cornerstone has a 20.8% direct and indirect interest in Cascabel comprised of (i) a direct 15% interest in the project financed through to completion of a feasibility study and repayable at Libor plus 2% out of 90% of its share of the earnings or dividends from an operation at Cascabel, plus (ii) an indirect interest comprised of 6.86% of the shares of joint venture partner and project operator SolGold plc Exploraciones Novomining S.A. ("ENSA"), an Ecuadoran company owned by SolGold and Cornerstone, holds 100% of the Cascabel concession. Subject to the satisfaction of certain conditions, including SolGold's fully funding the project through to feasibility, SolGold plc will own 85% of the equity of ENSA and Cornerstone will own the remaining 15% of ENSA.

Further information is available on Cornerstone's website: www.cornerstoneresources.com and on Twitter. For investor, corporate or media inquiries, please contact loveys@cornerstoneresources.ca, or:

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Due to anti-spam laws, many shareholders and others who were previously signed up to receive email updates and who are no longer receiving them may need to re-subscribe at http://www.cornerstoneresources.com.

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This news release may contain 'Forward-Looking Statements' that involve risks and uncertainties, such as statements of Cornerstone's beliefs, plans, objectives, strategies, intentions and expectations. The words "potential," "anticipate," "forecast," "believe," "estimate," "intend", "trends", "indicate", "expect," "may," "should," "could", "project," "plan," or the negative or other variations of these words and similar expressions are intended to be among the statements that identify 'Forward-Looking Statements.' Although Cornerstone believes that its expectations reflected in these 'Forward-Looking Statements' are reasonable, such statements may involve unknown risks, uncertainties and other factors disclosed in our regulatory filings, viewed on the SEDAR website at www.sedar.com. For us, uncertainties arise from the behaviour of financial and metals markets, predicting natural geological phenomena and from numerous other matters of national, regional, and global scale, including those of an environmental, climatic, natural, political, economic, business, competitive, or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our Forward-Looking Statements. Although Cornerstone believes the facts and information contained in this news release to be as correct and current as possible, Cornerstone does not warrant or make any representation as to the accuracy, validity or completeness of any facts or information contained herein and these statements should not be relied upon as representing its views after the date of this news release. While Cornerstone anticipates that subsequent events may cause its views to change, it expressly disclaims any obligation to update the Forward-Looking Statements contained herein except where outcomes have varied materially from the original statements.

On Behalf of the Board,
Brooke Macdonald
President and CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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[1] The Alpala deposit comprises 2,663 Mt at 0.53% CuEq (see how calculated in next paragraph) in the Measured plus Indicated categories and contained metal content of 9.9 Mt Cu, 21.7 Moz Au and 92.2 Moz Ag. The deposit measures approximately 900m in height and 500m diameter. See "Cascabel Property NI 43-101 Technical Report, Alpala Porphyry Copper-Gold-Silver Deposit - Mineral Resource Estimation, January 2021" with an Effective date: 18 March 2020 and Amended Date: 15 January 2021 (the "Amended Technical Report"), filed at www.Sedar.com on January 29, 2021: https://cornerstoneresources.com/site/assets/files/5574/2101_cascabel_mre3.pdf.

Alpala Copper Equivalency (CuEq) was calculated (assuming 100% recovery of copper and gold) using a Gold Conversion Factor of 0 613 (CuEq = Cu + Au x 0.613), calculated from a nominal copper price of US$3.40/lb and a gold price of US$1,400/oz.

[2] See "About Cornerstone" below.

[3] TAM Copper Equivalency (CuEq) was calculated (assuming 100% recovery of copper and gold) using a Gold Conversion Factor of 0 751 (CuEq = Cu + Au x 0.751), calculated from an updated nominal copper price of US$3.30/lb and a gold price of US$1,700/oz. Copper equivalent grades have been determined as ratios that take into account reasonable assumptions for metallurgical recovery based on similar deposit types, i.e., TAM shares the same geological and structural setting as the Alpala deposit 3 kilometres away for which metallurgical recoveries have been estimated. See Metallurgical recoveries for Cu and Au in Table 14-32 on page 271 of the Alpala Technical Report referred to in footnote 1 above, and Reasonable Prospects for Eventual Economic Extraction, below.